

The complaint

Mr S has complained HSBC UK Bank plc won't refund five debit card transactions he didn't authorise.

What happened

In November 2024, Mr S contacted HSBC to dispute five transactions he'd seen on his account. These all took place on 16 November between 16:39 and 16:49. Mr S believed he'd been the victim of a SIM replacement fraud.

HSBC contacted the financial institution these payments had gone to (who I'll call R). R confirmed this account had been set up in Mr S's name on 18 August 2024. Based on this evidence, HSBC wouldn't refund Mr S as they believed he'd authorised these transactions.

Mr S was unhappy with this outcome and brought his complaint to the ombudsman service.

Our investigator considered the evidence which HSBC provided, along with additional data provided by Mr S. This included the merchant's evidence that Mr S had opened an account with them in August 2024, made an initial deposit of £100 that month before making the five disputed transactions in November 2024. She also noted that an attempt had been made to add another iPhone to Mr S's HSBC account, but this had all happened after the disputed transactions took place. Our investigator confirmed she felt HSBC had sufficient evidence to show Mr S had most likely authorised the disputed transactions.

Dissatisfied with this, Mr S has asked an ombudsman to consider his complaint.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr S's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

Having reviewed the evidence, I believe there is sufficient to show that Mr S most likely authorised these payments. I say this because:

- HSBC's evidence includes evidence from R which confirms the set-up of an account in Mr S's name, along with the ID they reviewed to set up this account. I can't see how a third party would have been able to set up this account without Mr S being aware of this. I appreciate Mr S has always stated that he doesn't hold an account with R but I don't believe the evidence matches what he states.
- A payment of £100 was made to R with Mr S's debit card in August 2024. This debited Mr S's HSBC account on 27 August. Mr S didn't dispute this payment. Evidence shows Mr S was regularly checking his mobile banking app so I find it hard to see how he wouldn't have noticed this transaction.
- Evidence from R – which HSBC supplied – shows that the transactions made on 16 November 2024 between 16:39 to 16:49 used an IP address that match one that HSBC's evidence shows Mr S using when he accesses his banking service. The five transactions total £2,960 and were made just a day after Mr S received his monthly salary. I can't see how an unknown third party would be aware that Mr S's account had sufficient funds specifically that day to make card payments to R.
- There's no dispute there was an attempted SIM swap on Mr S's phone. He's shared evidence from his mobile service provider which confirms what happened. I've also seen records from HSBC showing another iPhone trying to be added to Mr S's HSBC account. The only issue here is that this all takes place after the disputed transactions, later that evening on 16 November and then another three days later. I think this suggests that someone was trying to make it look as if a SIM swap was happening.

I've considered Mr S's comments and evidence carefully. And I note his strong refutation that he made these transactions.

However, I believe HSBC has sufficient evidence to show Mr S authorised the five disputed transactions and I won't be asking them to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Mr S's complaint against HSBC UK Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 26 December 2025.

Sandra Quinn
Ombudsman